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OPEN MEETING AGENDA ITEM



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November 8, 2005

To: Docket No. L-00000B-04-0126-00000 Case No. 126 Arizona Corporation Commission

From: Richard R. Hubbard Deputy State Land Commissioner Arizona State Land Department

Re: Arizona Corporation Decision No. 68093; Request for Rehearing and/or Reconsideration by Pulte Home Corporation.

The Arizona State Land Department ("ASLD") serves as Trustee of 9.3 million acres of Arizona State Trust Land, which it manages in the best interests of its beneficiaries.

The Arizona Corporation Commission has been asked to reconsider certain provisions of Decision No. 68093 which granted Salt River Project ("SRP") a Certificate of Environmental Compatibility ("CEC") to construct a transmission line as stated in the record. The CEC describes the alignment of the transmission line and portions of State Trust Land are impacted by the transmission line approved in the CEC. Although ASLD did not appear or intervene in the case, ASLD supports the conclusions of the CEC.

In connection with the Request for Rehearing and/or Reconsideration of Decision No. 68093, ASLD has been asked to support the expansion of certain portion of the alignment from a corridor width of 1,000 feet to a corridor width of 1 mile. ASLD has met with the interested parties and reviewed the proposal.

ASLD has also reviewed a sample form of order submitted by the Commission's Legal Division proposing to revise the Decision to add "Condition 31" which would permit certain parties, including ASLD, until November 1, 2006, to reach an agreement to revise the alignment.

ASLD does not support either the proposed expansion of the corridor from the 1,000 feet to 1 mile or the proposal to add Condition 31 to Decision No. 68093. Either one of these proposed actions is not in the best interest of the ASLD, the State Trust Land impacted by the Decision or the beneficiaries of that State Trust Land.

ASLD supports the CEC, the Decision and would not support any further delay of the process of confirming the alignment as approved in the Decision or uncertainty as to the ultimate location and construction of the line caused by such delay.

Thank you for your professional consideration of the matter.

Richard R. Hubbard

Deputy State Land Commissioner